

The New Engine of Chinese Economic Growth : A Case of Digital Economy in Asian Experience

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The digital economy has become the national economic strategy in China.

- The action plan of “internet+” was raised in the first time by government report in March, 2015, president Xi Jinping also emphasized “do digital economy bigger and stronger, expand new space of economic development.” In October in the same year. “The digital economy needs to speed up” was written in government report in March, 2017, and also written in the Report of conference of 19th of CCP.



Table 1 digital economic strategy of major country in recent year

国家/地区	time	strategy
US	2012 年 3 月	Big data strategy
	2015 年 11 月	Digital economic agenda
	2016 年 12 月	Strengthen safe of national internet
Japan	2013 年 5 月	Development strategy of ICT
	2014 年 6 月	ICT strategy of intelligent Japan
EU	2010 年 5 月	Digital agenda in Europe
	2015 年 5 月	Simplified market strategy of digital
	2016 年 4 月	The plan of industrial digitization
Britain	2013 年 6 月	Digital economic strategy
	2015 年 2 月	Britain digital economic strategy 2015-2018
	2017 年 3 月	Britain digital strategy
German	2010 年 11 月	Digital German 2015
	2014 年 8 月	Digital agenda (2014-2017)
	2016 年 3 月	Digitization strategy 2025
France	2011 年 12 月	Digitization France 2020
	2013 年 2 月	Digitization blueprint



The two parts of digital economy

- The digital economy can be divided into two parts : it depends on digital tech industrialization on one hand ; on the other hand, the digital tech keeps renovation of manufacture, transportation and other service industry. The basic feature of digital economy is progressive increased for marginal income.



The Micro-economic body of digital economy in operation

- The digital economy hastens the growth of new form of organization-----platform enterprise. It keeps the internet platform enterprise as a huge center, and communicate service supplier of tens of thousands with consumers together ; going to do efficient reaction between different population, created great worth.

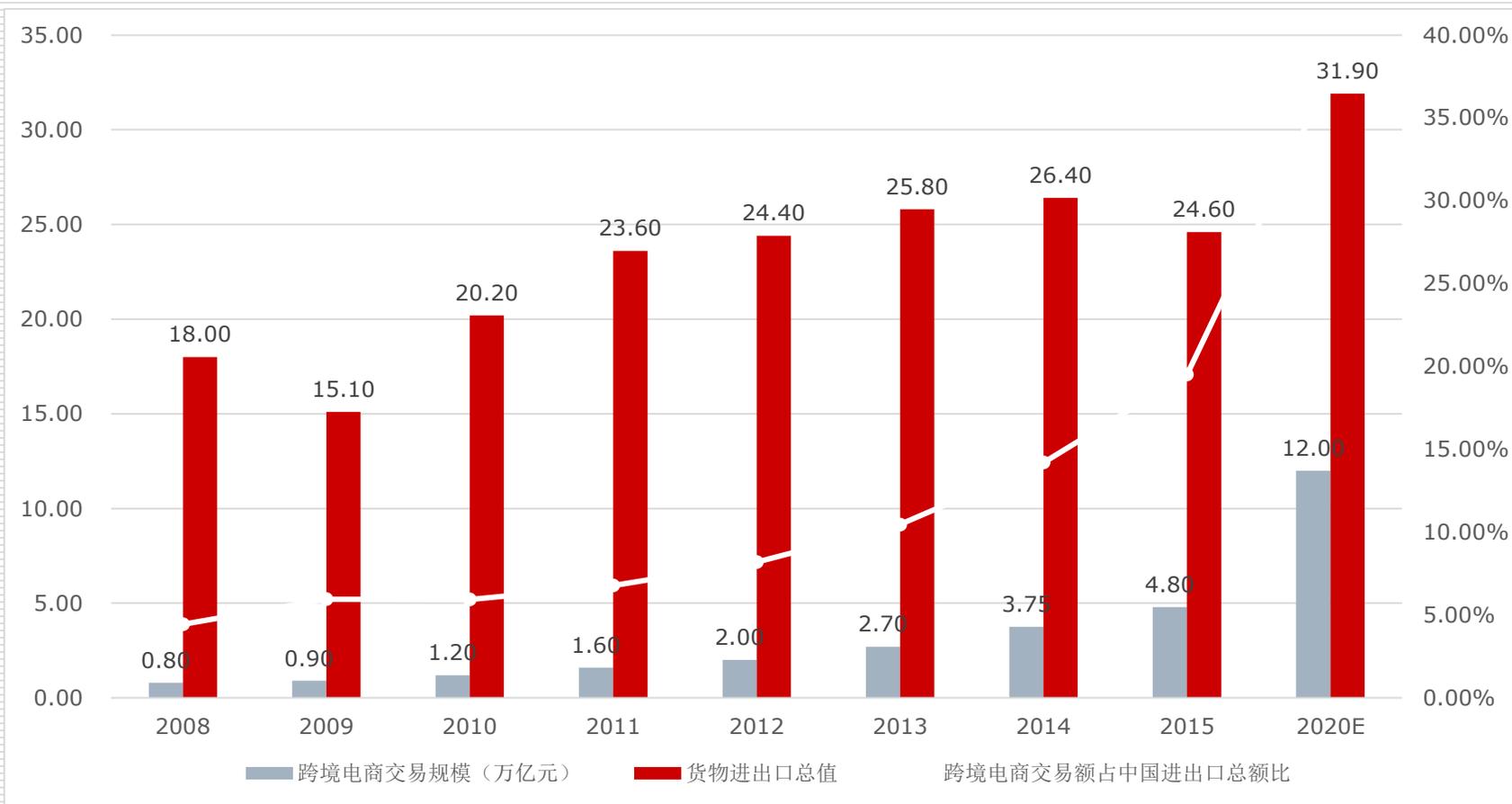


For example,

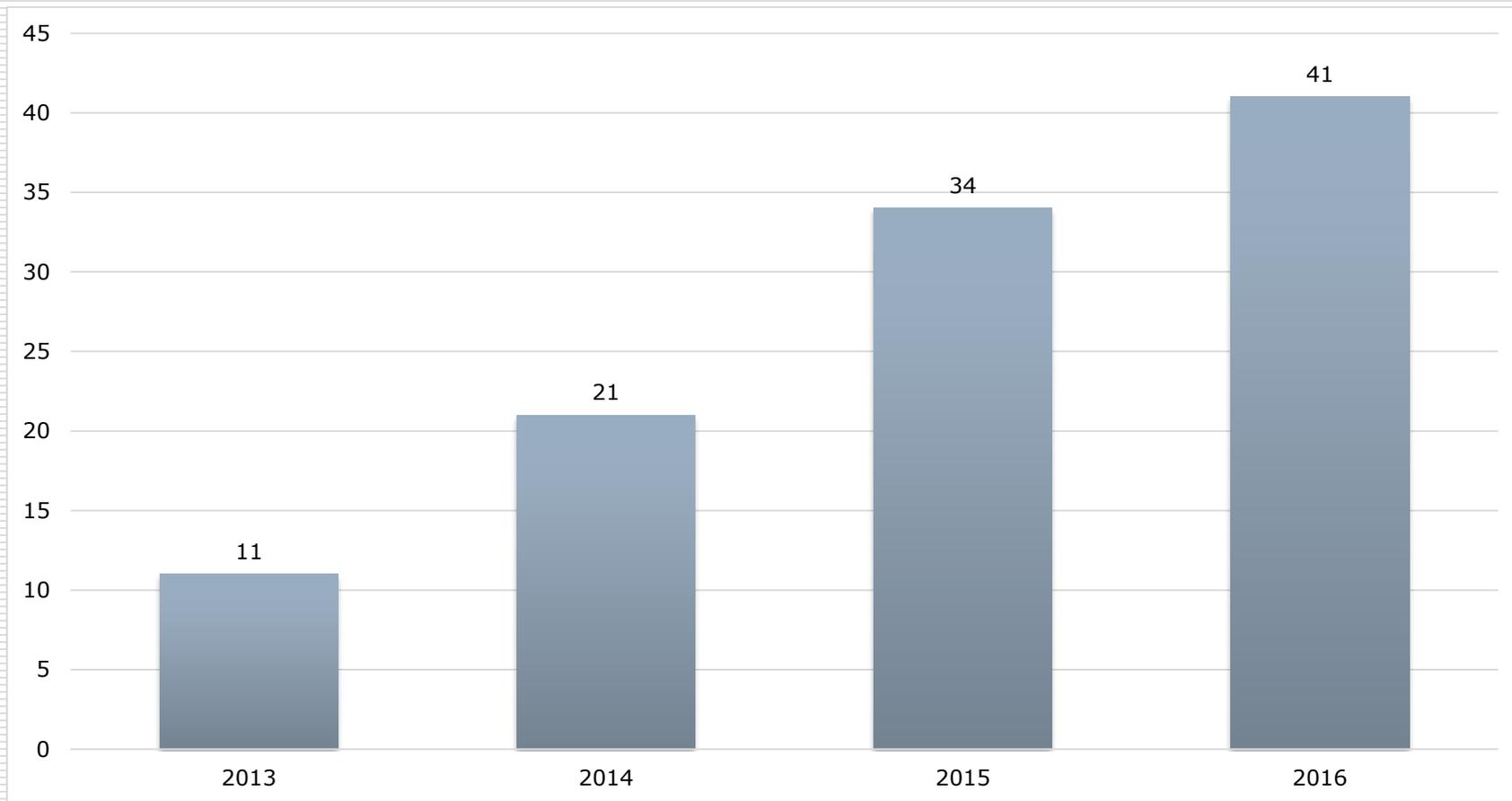
- Alibaba internet platform at retail involved about 10 million of seller, and about 500 million of buyer, more than 100 thousand of service provider, the total sum of business was gone beyond \$ 500 billion USD, it exceeded Warena of international retail tycoon. If we regard the total sum of business as GDP of economic entity, it was equal to Argentina, became the 21 economic entity in the world.



The business volume of E-commerce in cross-bounder of China



growth of county volume E-commerce above RMB 100 thousand in poverty areas



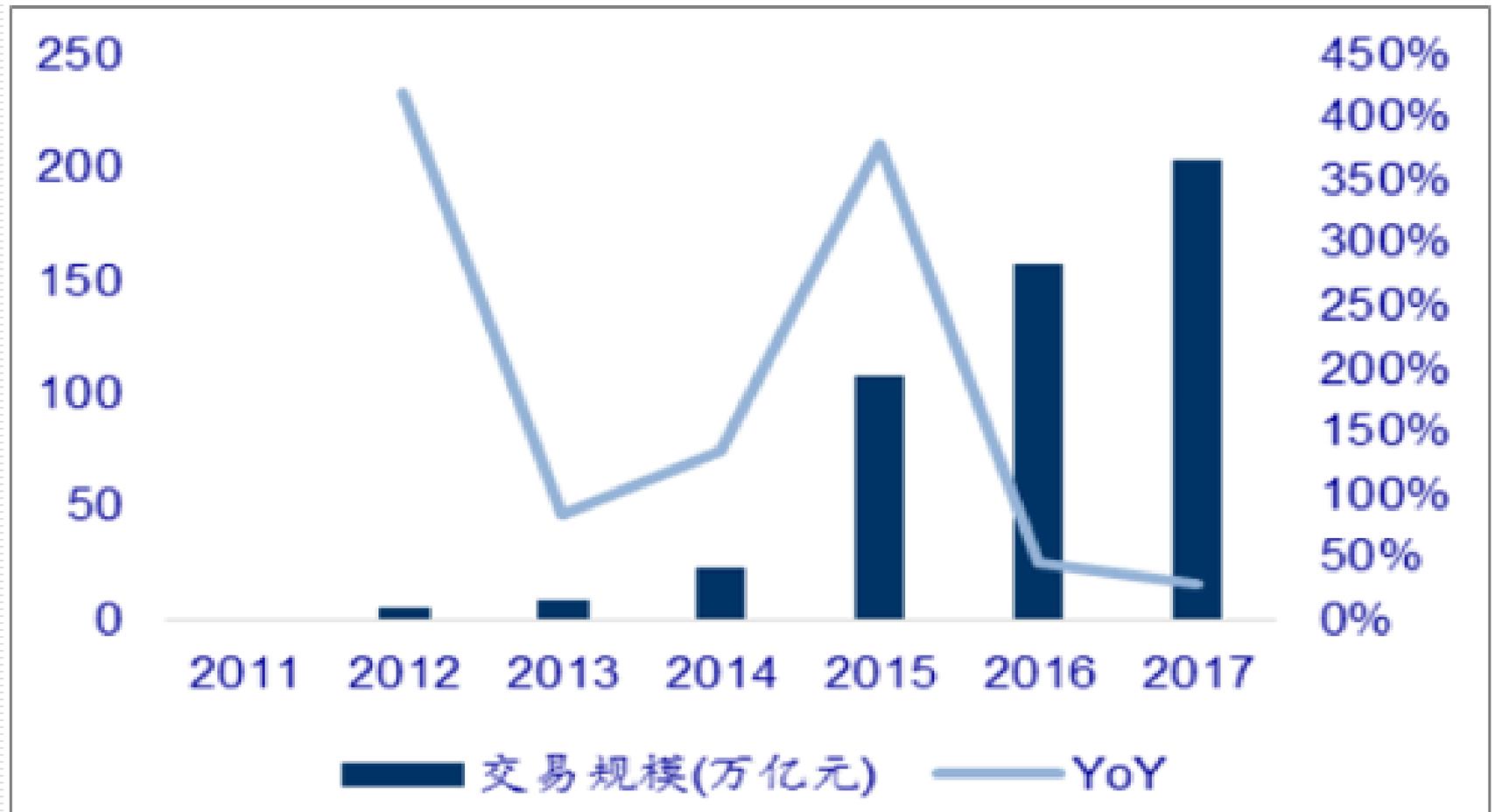
Electric payment



- The production body of non-platform became more small and specialized; it is the most typical for financial firms on the line of internet.



High speed growth of electric payment



High growth of the third side electric payment

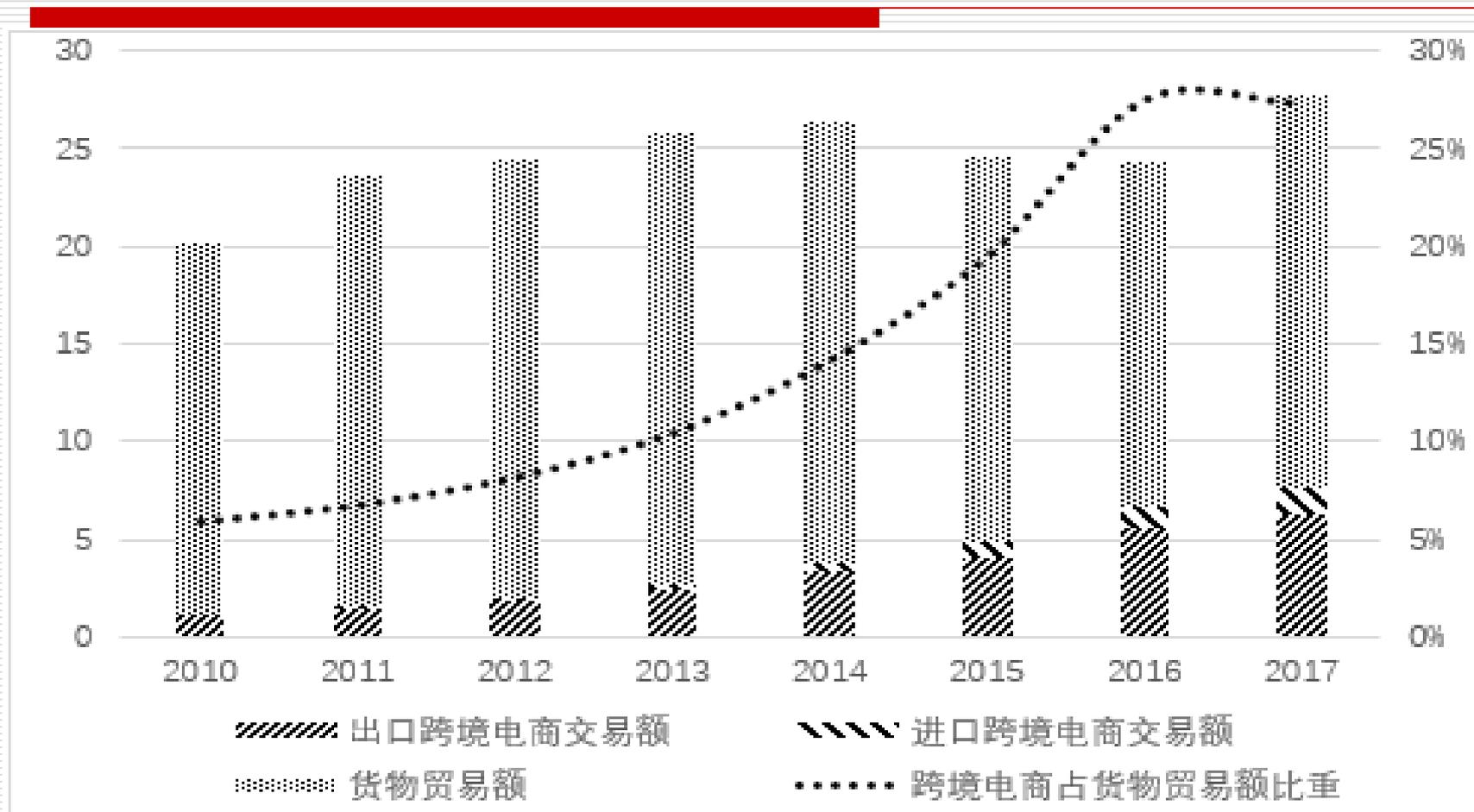


The digital economy enhanced international competitiveness of China's enterprises

- The development of China's E-commerce and mobile payment is going on the front rank around the world. The internet and E-commerce of cross border had changed deeply division of labor mode , organization structure , and microcosmic body for global value chain system, therefore, increased international competitiveness of China's foreign enterprises, it conducted a large number of middle and small-sized enterprises able into international market. The facts had overturned so called “ New-new trade theory” which depends on productivity of heterogeneity enterprises.



The ratio of E-commerce accounted for % of international trade.

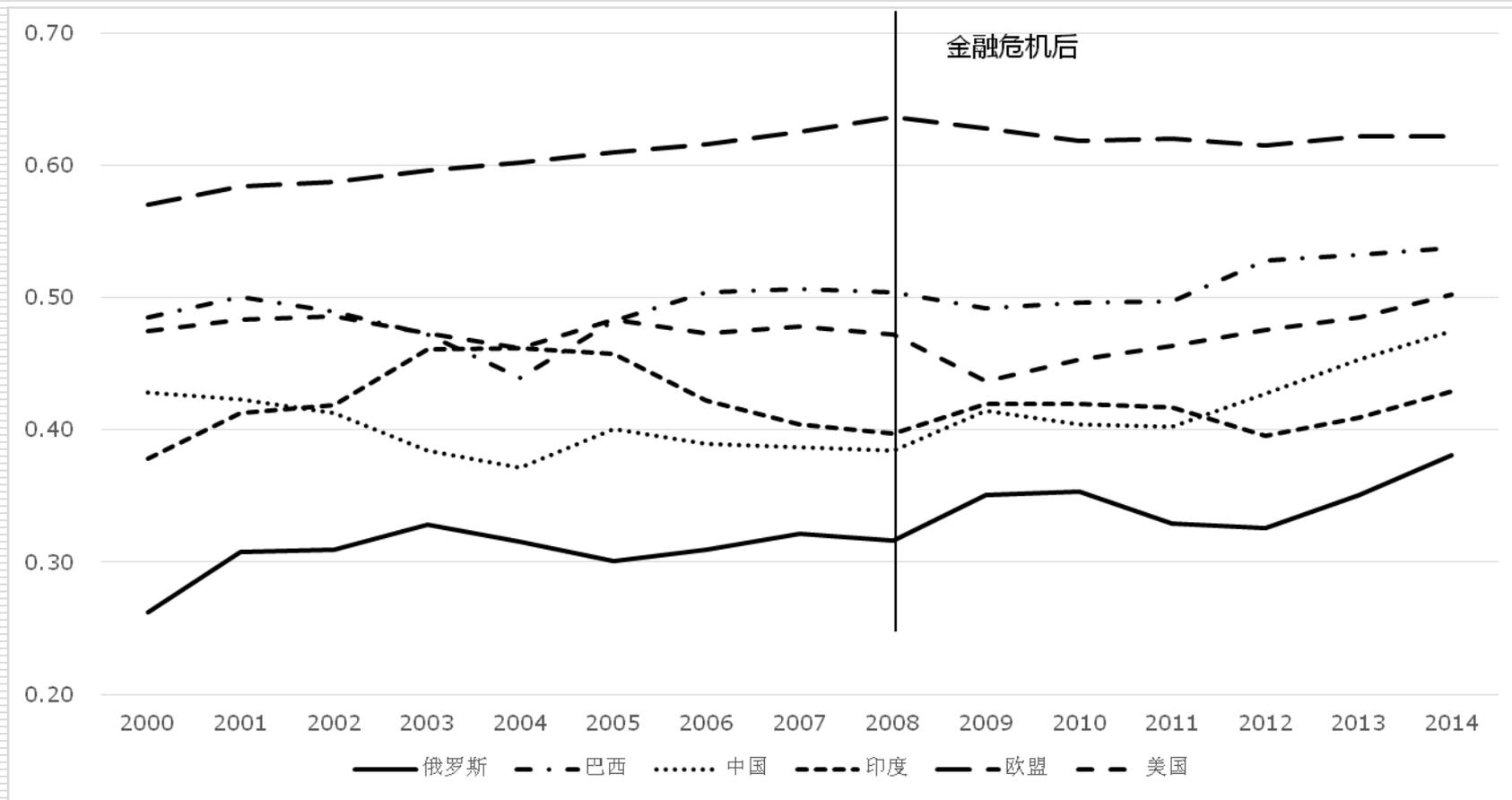


The internet promoted integration of service and manufacture, upgraded the value chain of the enterprises

- As ligament of internet, the trends of deep integration of service and manufacture appeared, the boundary of service and manufacture was going to disappear, the industrial chain, supply chain and value chain was realized to deep integration, it will be clear for the manufacture with service characteristics in the future and the service industry in the future also will be new type manufacture.



The trends of integration of service and manufacture in major economic entity



The industrial feature of digital economy and its challenge on economic theory

- Along with production of data and information products, speed development of digitization products in the future, the partition method of three industries in the industrial economics will face the challenge , and the digital information industry will be the fourth industry in the future.



challenge on traditional economics.

- The digital economy was not only the fast speed industry at the ratio, but also mainly depended on the growth of invisible capital input. It will put the severe challenge on traditional economics. The conception of investment in the economic growth theory of traditional economics was mainly regarded as fixed capital investment, and investment demand was regarded as fixed capital formation. However, the reality of constant growth of invisible capital input is going to overturn the theoretical logic of traditional economics, it needs for economics and statistics to restart research on conception of capital input and logic of economic growth.



□ Thanks



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